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What are Utah's fuels tax types?

Utah's current fuel taxes are:

1. Motor Fuels

1. Gasoline
2. Gasohol

3. Aviation Fuels

1. All fuel used for aircraft operation

2. Special Fuels

1. Any fuel used for motor vehicle operation on Utah public highways or waterways that is not taxed as motor or aviation fuel. This includes, but is not limited to:

1. Diesel
2. Bio-diesel
3. Kerosene
4. Blended fuels
5. Compressed natural gas (CNG)
6. Liquified natural gas (LNG)
7. Other gaseous and liquid petroleum products

What are Utah's fuel tax rates?

Tax Type	Rate Jul 1, 2009
Motor and special fuels (except CNG and LNG)	24.5 cents per gallon
CNG and LNG	8.5 cents per gallon equivalent
Aviation fuel	
Non-federally certificated air carriers	9 cents per gallon
Federally certificated air carriers	4 cents per gallon
Federally certificated air carriers if purchased at Salt Lake International Airport	2.5 cents per gallon
Environmental Assurance Fee	5 cents per gallon on the first sale or use of petroleum products in the state

Where can I find Utah's Fuel Tax laws?

All tax code laws are at <http://le.utah.gov/~code/code.htm> . The following sections pertain to fuel taxes:

1. Motor fuel tax

1. Utah code annotated 59-13-102 and 59-13-201 through 212
2. Utah administrative rules R865-13G-1 through 15

3. Special fuel tax (including special fuel users and CNG and LNG)

1. Utah code annotated 59-13-102, 59-13-301 through 322 and 59-13-501
2. Utah administrative rules R865-4D-1 through 23

3. Aviation fuel tax

1. Utah code annotated 59-13-102 and 59-13-401 through 403

2. Environmental assurance fee

1. Utah code annotated 19-6-410.5
2. Utah administrative rules R865-7H-1 through 3

Fuel Tax Licenses

Do I need a Fuel Tax license? How do I get one?

Licenses are required for the following entities. Use the form(s) below to apply.

Business	License Type	Application
Special fuel suppliers	Fuel tax license	TC-69
Motor or aviation fuel distributors	Fuel tax license	TC-69
Owners or lessors of equipment used to transport compressed natural gas (CNG) for highway use	Compressed Natural Gas (CNG) license	TC-69
Owners or lessors of equipment used to transport liquefied natural gas (LNG) for highway use	Liquefied Natural Gas (LNG) license	TC-69
Owners/operators of qualified vehicles based out of Utah	Special Fuel based IFTA	TC-69MC
Owners/operators of qualified vehicles not based out of but operating in Utah	Special Fuel based IFTA	TC-69MC

Fuel license not required, but the vehicle must:

- Be registered under the provisions of IRP and IFTA in the home state or
- Have a [Utah Department of Transportation trip permit](#)

See motorcarrier.utah.gov

Suppliers with first sale or Es in Utah as a retailer TC-69 that (As a liquidated degree from the

Suppliers are:

- Importers, refiners, blenders, manufacturers, and wholesalers of fuel for motor vehicles and aircraft

Distributors:

- Import motor fuel for use, distribution, or sale (retail or wholesale)
- Produce, refine, manufacture, or compound motor fuel in Utah to use, distribute, or sell in Utah
- Purchase motor fuel for resale in wholesale quantities to motor fuel retail dealers and account for their own motor fuel tax liability;
- Retail aviation fuel to federally certificated air carriers and others

Qualified vehicles:

See motorcarrier.utah.gov

Are bonds required to get a fuel tax license?

In some cases a bond is required when applying for a fuel tax license. See the Fuel Supplier License application ([TC-69](#)) for more information.

How often should I file Fuel returns?

You file all fuel taxes monthly (except IFTA and special fuel user; see motorcarrier.utah.gov).

Do I need a motor fuel license if I sell gasoline at the retail level (at the pump)?

No. Gasoline (motor fuel) is licensed at the distributor level. You must have a license if you:

- import motor fuel from another state,
- refine motor fuel,
- blend motor fuel with other substances, or
- are a gasoline wholesaler (sell to another retailer who sells the fuel to an end user).

Individuals who sell gasoline at the retail level (at the pump) only have to be licensed if they also meet distributor requirements.

I own a small service station and sell diesel fuel. Do I need a Special Fuel License?

No. Special Fuel tax is collected and remitted at the refiner level. You must have a license if you:

- import special fuel from another state,
- refine special fuel, or
- blend special fuel with other substances.

Individuals who sell special fuel at the retail level (at the pump) only have to be licensed if they also meet distributor requirements.

How long should I keep my business records?

You must keep all records for at least 3 years.

Compressed Natural Gas (CNG) and Liquified Natural Gas (LNG) How do I get a clean special fuel certificate?

Utah no longer issues clean special fuel certificates.

Who pays the fuel tax on CNG and LNG?

The fuel tax is imposed on the CNG & LNG supplier (owner or lessor of natural gas compression or LNG dispensing equipment).

Can I buy CNG or LNG tax free?

CNG or LNG buyers can give form [TC-721CNG](#), [Exemption Certificate for Compressed Natural Gas](#), to the natural gas supplier. This certificate exempts all natural gas purchases from sales tax, CNG or LNG tax and municipal energy sales and use tax at the time of purchase.

Note: Buyers must have a fuel tax account, sales and use tax account and a municipal energy sales and use tax account to report:

- Fuel taxes for CNG
- Use tax for residential and commercial uses of natural gas
- Municipal energy sales and use tax

Diesel And Bio-Diesel

How are diesel and bio-diesel fuels taxed?

Clear diesel and bio-diesel are taxed as special fuels at the standard rate.

What is the difference between dyed and clear diesel?

Clear diesel is subject to fuel tax, but not sales tax and is intended for the operation of motor vehicles on public roadways.

Dyed diesel is not subject to fuel tax, but is subject to sales and use tax. It is intended for use in:

- Construction equipment
- Farm equipment
- Recreational vehicles used off road
- Generators
- Heating units
- Other equipment and machinery

Dyed diesel is not intended for use in cars, trucks or other vehicles driven on the road. Using dyed

diesel to operate motor vehicles on public roadways is subject to federal and state penalties. See §59-13-320.5. Dyed diesel used for off-highway purposes is subject to sales tax rather than fuel tax.

What is off-highway use?

Off highway is a controlled area not generally open to the public. See [Tax Commission Rule R865-4D-2](#).

How do I report someone who is using dyed diesel to operate a motor vehicle illegally?

Give the following information to the Utah State Tax Commission and the Internal Revenue Service (IRS):

- Name and address of the person or business
- Taxpayer identification number (FEIN or SSN) if known
- Brief description of the alleged violation
- Your name, address and daytime telephone number
- How you became aware of the situation or got the information

Contact the Utah State Tax Commission in writing or by phone (fraud, waste and abuse hotline at 801-297-6719). Send IRS form 3949A, Information Referral, to the IRS.

Fuel Tax, Sales & Use Tax And Fuel Tax Refunds

When does fuel tax apply vs. sales and use tax?

Fuel tax is assessed on fuel used for motor vehicle operation on Utah public highways or waterways and on fuel used in aircraft.

Some fuel types, entities using fuel, or uses of fuel are exempt from fuel taxes. However, sales and use tax then applies unless the product, entity, or use is also exempt from sales and use tax.

Exempt fuel types include:

- Fuel derived from Utah solid hydrocarbons (see [administrative rule R865-13G-9](#))
- Electricity
- Propane

Exempt entities include:

- Federal and state government agencies and their subdivisions
- Certain Native American groups

Exempt uses of fuel include:

- Fuel exported from Utah
- Some cases where fuel is lost through destruction or re-refining.
- Commercial agricultural production (see [administrative rule R865-13G-8](#))
- Special fuels used in machinery and equipment not registered (and not required to register) for highway use
- Special fuels used to operate a motor vehicle off highway
- Special fuels used to operate a power take-off unit on a vehicle

How do I claim a Fuel tax refund or credit?

If you are:

Claim the refund:

A licensed fuel supplier

On your tax return

*

or

[TC-116](#)

An unlicensed owner of non-participating fuel tanks [Requesting a refund for Environmental Assurance Fee](#)

A Utah state government agency [By contacting Fleet Services Gascard](#)

A Utah state government agency [On your income tax return](#)

A clear diesel exporter who is not a licensed Utah [Special Fuel supplier](#)

An agricultural producer On your income tax return

Licensed with IFTA or as a [Special IFTA user](#); see [motorcarrier.utah.gov](#)

*Licensed suppliers must claim credit for non-participating tanks on TC-109 and schedules.

Additional Information

Contact the Tax Commission for additional information:

1. Tax.utah.gov/fuels
2. General Information
 1. 801-297-2200
 2. 800-662-4335 outside the Salt Lake Area
3. Fuel Suppliers/Distributors
 1. 801-297-7705
 2. 800-662-4335 extension 7705 outside the Salt Lake Area
3. Motor Carriers, IFTA, Special Fuel Users
 1. 801-297-6800
 2. 888-251-9555 outside the Salt Lake Area

Fuel Forms

Form Number	Form Title
TC-69	Utah State Business and Tax Registration
TC-106	Selection of Reporting Basis for Motor Fuel and Special Fuel Gallons
TC-109	and schedules Utah Fuel Tax Return
TC-111	Petroleum Products Carrier Report
TC-112	Proof of Exportation for Motor Fuel, Undyed Diesel and Other Petroleum Products
TC-116	(paper)
TC-116	(electronic) Utah Application for Fuel Tax Refund (Non-Licensed)
TC-116A	Utah Refund Application General Schedule
TC-334	Carrier's Monthly Report of Shipments of Special Fuel
TC-721AV	Aviation Fuel Tax Reduction Certificate
TC-721CNG	Exemption Certificate for Compressed Natural Gas
TC-721E	Environmental Assurance Fee Exemption Certificate